



United States
General Accounting Office
Washington, D.C. 20548

Health, Education and Human Services Division

B-277750

August 18, 1997

The Honorable Lane Evans
Ranking Minority Member
Committee on Veterans' Affairs
House of Representatives

Subject: Veterans' Benefits: World War II Merchant Mariners Potentially Eligible

Dear Mr. Evans:

Currently, 85,500 mariners who served on the high seas between December 7, 1941, and August 15, 1945, (V-J Day) are considered "veterans" for purposes of programs and benefits administered by the Department of Veterans Affairs (VA). The Merchant Mariners Fairness Act of 1997, H.R. 1126, proposes to allow all merchant mariners who served on the high seas at any time during the period recognized by the Department as World War II, namely from December 7, 1941, through December 31, 1946, and meet certain other criteria to be considered eligible for veterans' benefits.¹

In 1992, the Coast Guard estimated that 50,000 new applications and amended Certificates of Discharge would have to be processed if eligibility were extended to these mariners.² The Coast Guard further estimated that 3,000 of

¹In addition to serving on the high seas, a mariner must have been licensed or otherwise documented by the United States, as well as served on a U.S. flag vessel that was under contract to, chartered by, or owned by the United States and serving the armed forces.

²Statement of Captain John T. McGowan before the Subcommittee on Compensation, Pension, and Insurance, House Committee on Veterans' Affairs, in response to the Merchant Mariners Fairness Act of 1991, H.R. 44. This earlier bill contained a comparable provision extending eligibility to this target

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those 50,000 merchant mariners would qualify for veteran status. Five years later, however, when the Congressional Budget Office (CBO) projected the cost impact of the Merchant Mariners Fairness Act of 1997, the Coast Guard estimated that 50,000 additional former merchant mariners would qualify for veterans' benefits.

Because of these differing estimates, you asked us to estimate (1) the number of mariners who served during the entire period of World War II and (2) the number of potential beneficiaries of this legislation if veteran status were extended to former mariners who served from August 16, 1945, through December 31, 1946. As discussed with your office, CBO will use our estimates and standard mortality tables to derive the number of surviving former mariners and estimate the number of these who will apply for veteran status.³

To address these questions, we talked to officials in the Coast Guard and Merchant Marine as well as staff working in the National Archives to obtain information on record keeping practices and administrative procedures of the agencies during the period in question.

We sampled 9,400 archived files at the Federal Records Center in Suitland, Maryland, of merchant mariners who were issued Merchant Mariners' Documents (MMD) from 1937 on.⁴ We could not, however, identify from these files former mariners who might be deceased. Nor could we readily determine if all seamen in our sample who received MMDs actually served in the merchant marine or, if they served, whether they were on vessels on the high seas rather than on inland waterways.

group of former merchant mariners.

³According to the Coast Guard, some surviving spouses, children, and grandchildren of deceased merchant mariners would probably apply in the mariner's name for Certificates of Discharge from Active Duty. The certificates would then be presented to VA to determine what benefits the survivors are entitled to. For this reason, the Coast Guard believes that the use of mortality tables probably underestimates the number of people who would apply for veteran status.

⁴People who obtained MMDs in 1937 (the first time these documents, also known as "Z" numbers, were issued) may have served at the start of World War II.

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On the basis of our sample, we estimate that 840,200 merchant mariners were issued MMDs between January 1, 1937, and December 31, 1946.⁵ We further estimate that of that number 102,400 were issued MMDs between August 16, 1945, and December 31, 1946, and might be eligible for consideration if veteran status were extended to the target group.⁶

Coast Guard officials reviewed a draft of this correspondence, and their comments have been incorporated where appropriate.

As agreed with your office, we will make copies of this letter available to other interested parties. Should you or your staff have any questions, please call Cynthia Fagnoni, Acting Associate Director, at (202) 512-7101 or me. Connie D. Wilson, Sibyl Tilson, John Kirstein, and Wayne Dow also contributed to this correspondence.

Sincerely yours,



Stephen P. Backhus, Director
Veterans' Affairs and Military Health Care Issues

(105755)

⁵At the 95-percent confidence level, we estimate that 840,200 former merchant mariners (plus or minus 57,880) were issued MMDs between these dates. The Coast Guard estimates that 260,000 mariners actually served in the Merchant Marine during World War II through August 15, 1945.

⁶At the 95-percent confidence level, we estimate that 102,400 former merchant mariners (plus or minus 4,450) were issued MMDs between these dates.

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